

**Bureau of Customs and Border Protection and Petroleum Industry
Joint Standards of Importer Self-Assessment**


The Importer Self-Assessment (ISA) program is a joint government-business initiative designed to allow the Bureau of Customs and Border Protection (CBP) and importers to build cooperative relationships that strengthen trade compliance. ISA was developed with the flexibility that would allow the program to be tailored to unique industry needs. Accordingly, representatives from the American Petroleum Institute (API) and the petroleum industry worked together with CBP to establish and clearly define the expectations of the ISA program for petroleum importers.

The joint working group was comprised of representatives from CBP, petroleum companies, consulting groups, and other government agencies. Operating in a partnership, the working group developed three significant ISA documents tailored to both CBP and industry needs. Specifically, those documents are (1) Petroleum Industry ISA Memorandum of Understanding (MOU), (2) Petroleum Industry ISA Questionnaire, and (3) Petroleum Industry ISA Risk/Control Matrix.

The Risk/Control Matrix is viewed as a critical part of the petroleum industry ISA program. This document identifies inherent risks in the petroleum importation process and establishes required controls that are necessary to compensate those risks. Because the ISA program is based on the premise that importers with strong internal controls achieve the highest level of compliance with Customs laws and regulations, it is imperative that petroleum importers implement all applicable controls defined in the attached Petroleum Risk/Control Matrix. Additionally, as part of the self-governing process, petroleum importers in the ISA program must periodically perform an analysis of the controls in the matrix that address inherent risks (such as transshipment in the industry) as well as all other internal controls over their Customs operations to ensure that their systems remain compliant.

Based upon the partnership efforts, CBP and API agree that in order to provide standardization and consistency in the handling of petroleum ISA accounts, API understands that each applicant is required to complete the Petroleum Industry ISA MOU, the Petroleum Industry ISA Questionnaire, and adhere to all applicable controls outlined in the Petroleum Risk/Control Matrix. In addition to the roles and responsibilities defined in the Petroleum Industry ISA MOU, API understands that companies operating foreign trade zones must continue to comply with the Grant of Authority issued by the U.S. Department of Commerce Foreign Trade Zone Board. In the same respect, standardization and consistency in CBP's handling of petroleum industry ISA accounts is essential. Within CBP, the Office of Field Operations has been directed to implement defined procedures that will ensure a nationally coordinated approach to managing the trade operations of ISA accounts. All field activities will be coordinated with the respective Account Manager and ISA team.


Douglas M. Browning
Deputy Commissioner
Bureau of Customs and Border Protection


Andrew C. Yood
Director of Tax
American Petroleum Institute